

## **INTERDEPARTMENTAL REGULATION OF CHILDREN'S RESIDENTIAL FACILITIES**

### **INSTRUCTIONS FOR COMPLETING THE BALANCE SHEET FOR PRIVATE SECTOR FACILITIES**

#### **INTRODUCTION:**

The purpose of a balance sheet is to show the financial condition of a business on a specific date. A Balance sheet consists of a listing of the assets and liabilities of a business and the owner's equity. Assets are further classified as current assets and plant and equipment. Liabilities are further classified as current and long term liabilities. This form is important in providing information needed to determine financial responsibility as required by the *Interdepartmental Standards*.

#### **INSTRUCTIONS FOR COMPLETING THE FORM**

##### **ASSETS**

**CURRENT ASSETS:** For each category, enter the assets which quickly can be converted to cash and which are reserved to meet immediate expenses of operating the facility.

**Cash:** Include currency, cash in checking accounts, and cash in savings accounts. The amount shown must be available now to operate the facility.

**Monetary Investments:** Include Certificates of Deposit, Savings Bonds, Treasury Bills, and other investments which quickly can be converted to cash. They currently must be owned by the applicant and identified for immediate use in operating expenses of the facility.

**Negotiable Securities:** Include stocks, corporate bonds, etc., which are owned by the applicant and are identified for use, if necessary, in operating the facility.

**Accounts Receivable:** Include monies owed to the applicant which are due within one year and would be used, if necessary, when received to fund operation of the facility.

**Notes Receivable:** Include promissory notes held by the applicant which are due within one year of the date of application and whose proceeds would be used, if necessary, to fund operation of the facility.

**Other Current Assets:** Include any other assets which quickly could be converted to cash within the operating year and used, if necessary, to fund operation of the facility.

**PLANT & EQUIPMENT:** For each category, enter the long-lived or long term assets acquired for use in operating the facility. Unlike current assets, these assets are not readily and quickly convertible to cash.

**Notes Receivable:** Include promissory notes held by the applicant which fall due more than one year from the date of the Balance sheet and whose proceeds, when received, would be used, if necessary, to fund operation of the facility.

**Land:** Include the purchase price of all land owned by the facility including the value of the land on which the facility's buildings are located. The value entered should be the price at which the land was purchased rather than its current appraised value.

**Buildings:** Include the total purchase price of the buildings which comprise the facility. The value entered should be the price at which the buildings were purchased rather than the current appraised value.

**Accumulated Depreciation:** The total amount of all depreciation claimed on all buildings on the date of the Balance sheet.

**Current Value:** The difference between the purchase price of the buildings and the accumulated depreciation on them.

**Furniture, Fixtures, and Office Equipment:** Include the total purchase price of all furniture, fixtures, and office equipment owned and used in the operation of the facility. The value entered should be the purchase price rather than the current appraised value.

**Accumulated Depreciations:** The total amount of all depreciation claimed on all furniture, fixtures, and office equipment on the date of this Balance sheet.

**Current Value:** The difference between the total value of all furniture, fixtures and office equipment and the accumulated depreciation on these items.

**Vehicles:** Include the purchase price of all vehicles owned and used in the operation of the facility. The value listed should be the purchase price rather than the appraised value.

**Accumulated Depreciation:** The total amount of all depreciation claimed on all vehicles on the date of the Balance sheet.

Current Value: The difference between the total value of all vehicles and the accumulated depreciation on them.

Other Long Term Assets: Include any other long term assets owned by the facility which would be used, if necessary, to fund facility operation. List each item separately. Items of capital equipment which are listed here must also be accompanied by a value of accumulated depreciation and current value.

### LIABILITIES

CURRENT LIABILITIES: For each category, enter all liabilities which must be paid within the next 12 months.

Accounts Payable: Include the sum of the total unpaid salaries and payment of all unpaid bills and financial obligations which fall due within the next 12 months with the exception of mortgage payments and installment loans. Examples include utility bills, unpaid salaries/wages to current employees, charge accounts, and credit cards.

Notes Payable: Include all payments which must be made within the next 12 months on existing contracts, mortgages and installment loans.

Other: Include any other existing obligations which are due during the next 12 months. Include payments of obligations which are in arrears such as income taxes, property taxes, insurance, interest payable, etc. Itemize each item separately.

LONG TERM LIABILITIES: For each category, enter the liabilities which are due more than one year from the date of the Balance sheet.

Mortgage(s) Payable: Include the total amount necessary to liquidate any mortgage(s) on the facility less the amount reflected as part of mortgage(s) payable as current liabilities.

Notes Payable: Include the total amount necessary to liquidate all outstanding contracts, installment loans or promissory notes less the amount reflected as part of the notes payable amount reported as a current liability.

Other: Include all other long term liabilities which are owed and were incurred to support facility operations. List each item separately.

**OWNER'S EQUITY**

**OWNER'S CAPITAL:** Enter the total of investments the owners have made in the facility. If all entries regarding assets and liabilities have been properly made, and accounting records have been properly maintained, this amount should equal the difference between Total Assets and Total Liabilities.

**TOTAL LIABILITIES AND OWNER'S EQUITY**

Enter the total of the owner's equity and total liabilities.. If all entries regarding assets and liabilities have been properly made, and accounting records have been properly maintained, this amount should equal the total assets.

**INTERDEPARTMENTAL REGULATION OF  
CHILDREN'S RESIDENTIAL FACILITIES**

**BALANCE SHEET FOR PRIVATE  
SECTOR FACILITIES**

DATE: \_\_\_\_\_

NAME OF FACILITY: \_\_\_\_\_

**ASSETS**

CURRENT ASSETS:

Cash \$ \_\_\_\_\_

Monetary Investments \_\_\_\_\_

Negotiable Securities \_\_\_\_\_

Accounts Receivable \_\_\_\_\_

Notes Receivable \_\_\_\_\_

Other (Specify) \_\_\_\_\_

Other (Specify) \_\_\_\_\_

Other (Specify) \_\_\_\_\_

**TOTAL CURRENT ASSETS**

\$ \_\_\_\_\_

PLANT & EQUIPMENT ASSETS:

Notes Receivable		\$ _____
Land (Purchase Price)		_____
Buildings (Purchase Price)	\$ _____	
Less: Accumulated Depreciation	_____	
Current Value		_____
Furniture, Fixtures, and Office Equipment (Purchase Price)	_____	
Less: Accumulated Depreciation	_____	
Current Value		_____
Vehicles (Purchase Prices)	_____	
Less: Accumulated Depreciation	_____	
Current Value		_____
Other (Specify)		_____
Other (Specify)		_____
Other (Specify)		_____

**TOTAL PLANT & EQUIPMENT**

\$ \_\_\_\_\_

**TOTAL ASSETS****TOTAL CURRENT ASSETS**  
(From Page 1)

\$ \_\_\_\_\_

**TOTAL PLANT & EQUIPMENT**  
(From Page 2)

\$ \_\_\_\_\_

**TOTAL ASSETS**

\$ \_\_\_\_\_

**LIABILITIES****CURRENT LIABILITIES:**

Accounts Payable \$ \_\_\_\_\_

Notes Payable \_\_\_\_\_

Other (Specify) \_\_\_\_\_

Other (Specify) \_\_\_\_\_

**TOTAL CURRENT LIABILITIES**

\$ \_\_\_\_\_

**LONG TERM LIABILITIES**

Mortgage(s) Payable \$ \_\_\_\_\_

Notes Payable \_\_\_\_\_

Other (Specify) \_\_\_\_\_

Other (Specify) \_\_\_\_\_

**TOTAL LONG TERM LIABILITIES**

\$ \_\_\_\_\_

**TOTAL LIABILITIES****TOTAL CURRENT LIABILITIES**

\$ \_\_\_\_\_

(From Page 3)

**TOTAL LONG TERM LIABILITIES**

\$ \_\_\_\_\_

(From Page 3)

**TOTAL LIABILITIES**

\$ \_\_\_\_\_

**OWNER'S EQUITY**

Owner's Capital \$ \_\_\_\_\_

**TOTAL LIABILITIES AND OWNER'S EQUITY**

\$ \_\_\_\_\_

(This amount should equal the total assets shown on page 2)